

Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

RECEIVED

MAY 17 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Communications Assistance for)
Law Enforcement Act) CC Docket No. 97-213
)
Revenue Estimates of)
Five Manufacturers)

COMMENTS OF SBC COMMUNICATIONS INC.

SBC Communications Inc., on its behalf and on behalf of its subsidiaries, ("SBC") strongly contends that the costs associated with CALEA implementation are a valid consideration of the Commission in determining the technical industry standard. For this reason, SBC commends the Commission in seeking to develop reliable cost estimates associated with the implementation of J-STD-025 and the additional "punchlist" items sought by the Department of Justice and Federal Bureau of Investigation ("DOJ/FBI").

As the Commission acknowledges in its Public Notice, released in this proceeding on May 7, 1999, it is difficult at this time to accurately determine the costs which are likely to be expended in the telecommunications industry's compliance efforts. However, it is clear that the cost estimates quoted by the Commission are far lower than the costs which will actually be incurred. Indeed, the Commission's industry-wide estimates are less than the combined cost estimates provided by two local exchange carriers – SBC's costs as stated below and the estimates which have been provided by Bell South.¹ The five manufacturers which provided the data which forms the basis for

¹ See, *Reply Comments of Bell South, In the Matter of Communications Assistance for Law Enforcement Act*, CC Docket No. 97-213, filed on January 27, 1999.

No. of Copies rec'd
List ABCDE

014

the Public Notice's costs estimates are not representative of the full range of manufacturers whose products will be deployed. Moreover, to the extent that the Commission's cost estimates relate solely to software and do not reflect associated hardware costs, the estimates are grossly understated. CALEA capability is more than just a software solution.

In addition, the capacity provisioning costs which will be incurred do not appear to have been included in any of the estimates. Such costs are implicit in CALEA implementation. For example, the "in-band and out-of-band signaling" capability sought by the DOJ/FBI is estimated by the Commission to cost \$27 million for wireline implementation. Yet, implementation as envisioned by several manufacturers will require the extension of a full-time Call Content Channel for every pen register surveillance. This feature alone would increase required capacity tenfold. The effect of this needed capacity demand within SBC would likely exceed the industry total estimate of \$27 million advanced by the Commission.

A further cost consideration is the accelerated scheduling of generic deployment required for the implementation of CALEA software. This deployment also necessitates the installment of CALEA capability gating hardware, such as new processor and line units and memory cards. Currently, with regard to one manufacturer, SBC anticipates it will be required to deploy 900 generic upgrades, as well as associated gating hardware.

Moreover, the timeframe in which CALEA compliant products will be made available by manufacturers could increase manpower demands by compressing the time in which a carrier must deploy the products to meet the current June 30, 2000, compliance deadline. For example, SBC has been informed that one manufacturer will not have a commercially available CALEA compliant product until the first quarter of the year 2000. It generally requires 12 to 18 months to deploy a new generic. In order to even attempt to meet the current June 30, 2000 deadline, additional manpower will have to be assigned and trained.

While certain of these costs are still the subject of negotiation with various manufacturers, SBC, to the best of its current knowledge, estimates that the cost to implement J-STD-025 in its wireline companies² is approximately \$326,000,000.³ With regard to the implementation of this standard with respect to its wireless companies, the cost estimate is approximately \$37,200,000. Correspondingly, the implementation of CALEA with the inclusion of the DOJ/FBI "punchlist" items is estimated to be approximately \$340,000,000 for the SBC wireline companies alone. Unfortunately, a reliable estimate of the costs of implementation of the "punchlist" items in the SBC wireless companies is not available. The estimated costs SBC has developed include the expense for CALEA software, activation fees, manufacturer engineering and installation fees, gating hardware costs and the required advancement of generic upgrades. They also reflect a conversion schedule for attempted CALEA compliance by June 30, 2000. It is believed that these estimates are likely to increase, rather than decrease, as outstanding matters are resolved.

² This estimate includes the costs to implement this standard in Southwestern Bell Telephone Company, Pacific Bell, Nevada Bell and Southern New England Telephone Company.

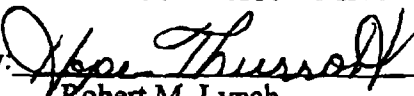
³ The cost estimates being provided do not include any overhead costs nor do they include any monthly recurring costs.

CONCLUSION

SBC applauds the Commission's attempt to identify, to the greatest extent possible, the costs associated with the interim industry standard and the additional "punchlist" items sought by the DOJ/FBI. While recognizing that the data currently available is in certain respects speculative, as the cost estimates of SBC illustrate, the estimates contained in the Public Notice are significantly understated. SBC strongly urges the Commission to consider such costs in determining the appropriate industry technical standard.

Respectfully submitted,

SBC COMMUNICATIONS INC.

By: 
Robert M. Lynch
Roger K. Toppins
Hope Thurrott
One Bell Plaza, Room 3023
Dallas, Texas 75202
214-464-3620

Attorneys for SBC Communications Inc.
and its Subsidiaries

May 17, 1999

CERTIFICATE OF SERVICE

I, Katie M. Turner, hereby certify that the foregoing, "COMMENTS OF SBC COMMUNICATIONS INC." in CC Docket No. 97-213 has been filed this 17th day of May, 1999 to the Parties of Record.

A handwritten signature in black ink, appearing to read "Katie M. Turner", written over a horizontal line.

Katie M. Turner

May 17, 1999

MAGALIE ROMAN SALAS
OFFICE OF THE SECRETARY
FEDERAL COMMUNICATIONS
COMMISSION
THE PORTALS
445 12TH STREET SW ROOM TW-A325
WASHINGTON DC 20554

(Original & 4 copies)

INTERNATIONAL TRANSCRIPTION
SERVICES (ITS)
1231 20TH STREET N W
WASHINGTON DC 20036

PAMELA J RILEY
DAVID A GROSS
AIRTOUCH COMMUNICATIONS INC
1818 N STREET NW
SUITE 800
WASHINGTON DC 20036

BARBARA J KERN
AMERITECH CORPORATION
2000 WEST AMERITECH CENTER DR
ROOM 4H74
HOFFMAN ESTATES IL 60196

STEVEN SHAPIRO ESQ
CASSIDY SEHGAL-KOLBET ESQ
AMERICAN CIVIL LIBERTIES UNION
125 BROAD STREET
18TH FLOOR
NEW YORK NY 10004

JOHN M GOODMAN
ATTORNEY FOR BELL ATLANTIC
1300 I STREET NW
WASHINGTON DC 20005

DAVID L SOBEL ESQ
MARC ROTENBERG ESQ
ELECTRONIC PRIVACY
INFORMATION CENTER
666 PENNSYLVANIA AVE SE
SUITE 301
WASHINGTON DC 20003

M. ROBERT SUTHERLAND
THEODORE R KINGSLEY
BELLSOUTH CORP
SUITE 1700
1155 PEACHTREE STREET N E
ATLANTA GA 30309-3610

BARRY STEINHARDT ESQ
SHARI STEELE ESQ
ELECTRONIC FRONTIER FOUNDATION
1550 BRYANT ST
SUITE 725
SAN FRANCISCO CA 94103-4832

ALAN R SHARK
JILL M LYON
AMERICAN MOBILE TELECOMMUNICATIONS
ASSOCIATION INC
1150 18TH ST NW SUITE 250
WASHINGTON DC 20036

ELIZABETH R SACHS ESQ
LUKAS, NACE, GUTIERREZ & SACHS
1111 19TH STREET NW
SUITE 1200
WASHINGTON DC 20036

MICHAEL P GOGGIN
BELLSOUTH CELLULAR CORP
SUITE 910
1100 PEACHTREE STREET NE
ATLANTA GA 30309-4599

J LLOYD NAULT II
BELLSOUTH TELECOMMUNICATIONS INC
4300 BELLSOUTH CENTER
675 WEST PEACHTREE STREET NE
ATLANTA GA 30375

MICHAEL ALTSCHUL
RANDALL S COLEMAN
CELLULAR TELECOMMUNICATIONS
INDUSTRY ASSOCIATION
1250 CONNECTICUT AVENUE NW
SUITE 800
WASHINGTON DC 20036

JERRY BERMAN
JAMES X DEMPSEY
CENTER FOR DEMOCRACY
AND TECHNOLOGY
1634 EYE STREET NW
SUITE 1100
WASHINGTON DC 20006

STANTON MCCANDLIS
ELECTRONIC FRONTIER FOUNDATION
1550 BRYANT STREET SUITE 725
SAN FRANCISCO CA 94103-4832

JOHN F RAPOSA
GTE SERVICE CORPORATION
600 HIDDEN RIDGE HQE03J27
PO BOX 152092
IRVING TX 75038

GAIL L POLIVY
GTE SERVICE CORPORATION
1850 M STREET NW
SUITE 1200
WASHINGTON DC 20036

JAMES TO ROCHE
TIMOTHY S SHEA
GLOVECAST NORTH AMERICA INC
400 NORTH CAPITOL STREET NW
SUITE 880
WASHINGTON DC 20001

HENRY M RIVERA
LARRY S SOLOMON
J THOMAS NOLAN
ATTORNEYS FOR METRICOM INC
SHOOK, HARDY & BACON L.L.P.
1850 K STREET NW SUITE 900
WASHINGTON DC 20006

RICH BARTH
MARY E BROONER
MOTOROLA INC
SUITE 400
1350 I STREET NW
WASHINGTON DC 20005

ANDY ORAM
COMPUTER PROFESSIONALS
FOR SOCIAL RESPONSIBILITY
PO BOX 717
PALO ALTO CA 94302

CAROLYN G MORRIS
U S DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
J EDGAR HOOVER BUILDING
935 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20535

H MICHAEL WARREN
CALEA IMPLEMENTATION SECTION
FEDERAL BUREAU OF INVESTIGATION
14800 CONFERENCE CENTER DRIVE
SUITE 300
CHANTILLY VA 20151

STEWART A BAKER
THOMAS M BARBA
L BENJAMIN EDERINGTON
STEPTOE & JOHNSON LLP
1330 CONNECTICUT AVENUE NW
WASHINGTON DC 20036

DAVID COSSON
L MARIE GUILLORY
NATIONAL TELEPHONE
COOPERATIVE ASSOCIATION
2626 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20037

JOEL M MARGOLIS
NEXTEL COMMUNICATIONS INC
1505 FARM CREDIT DRIVE
SUITE 100
MCLEAN VA 22102

ALBERT GIDARI
PERKINS COIE LLP
1201 THIRD AVE
40TH FLOOR
SEATTLE WA 98101

EMILIO W CIVIDANES
RONALD L PLESSER
PIPER & MARBURY LLP
ATTORNEYS FOR OMNIPPOINT
COMMUNICATIONS INC
1200 19TH STREET NW
WASHINGTON DC 20036

LISA M ZAINA
STUART POLIKOFF
OPASTCO
21 DUPONT CIRCLE NW
SUITE 700
WASHINGTON DC 20036

JUDITH ST LEDGER-ROTY
PAUL G MADISON
KELLEY DRYE & WARREN LLP
ATTORNEYS FOR PAGING NETWORK INC
1200 19TH STREET NW SUITE 500
WASHINGTON DC 20036

ERIC W DESILVA
STEPHEN J ROSEN
WILEY REIN & FIELDING
1776 K STREET NW
WASHINGTON DC 20006-2304

MARY MCDERMOTT
TODD B LANTOR
PERSONAL COMMUNICATIONS INDUSTRY
ASSOCIATION
500 MONTGOMERY STREET SUITE 700
ALEXANDRIA VA 22314-1561

MICHAEL K KURTIS
JEANNE W STOCKMAN
KURTIS & ASSOCIATES PC
ATTORNEYS FOR POWERTEL INC
2000 M STREET NW
SUITE 600
WASHINGTON DC 20036

WILLIAM L ROUGHTON JR
PRIMECO PERSONAL
COMMUNICATIONS LP
601 13TH STREET NW
SUITE 320 SOUTH
WASHINGTON DC 20005

CARESSA D BENNET
DOROTHY E CUKIER
BENNET & BENNET PLLC
ATTORNEYS FOR RURAL
TELECOMMUNICATIONS GROUP
1019 19TH STREET NW
SUITE 500
WASHINGTON DC 20036

CAROLE C HARRIS
CHRISTINE M GILL
ANNE L FRUEHAUF
MCDERMOTT WILL & EMERY
ATTORNEYS FOR SOUTHERN
COMMUNICATIONS SERVICES INC
600 THIRTEENTH STREET NW
WASHINGTON DC 20005

JOSEPH R ASSENZO
SPRINT PCS
4900 MAIN STREET 12TH FLOOR
KANSAS CITY MO 64112

GRANT SEIFFERT
MATTHEW J FLANIGAN
TELECOMMUNICATIONS INDUSTRY ASSN
1300 PENNSYLVANIA AVENUE NW
SUITE 350
WASHINGTON DC 20004

STEWART A BAKER
THOMAS M BARBA
BRENT H WEINGART
L BENJAMIN EDERINGTON
STEPTOE & JOHNSON LLP
COUNSEL FOR TIA
1330 CONNECTICUT AVENUE NW
WASHINGTON DC 20036

KEVIN C GALLAGHER
360 COMMUNICATIONS COMPANY
8725 W HIGGINS ROAD
CHICAGO IL 60631

PETER M CONNOLLY
KOTEEN & NAFTALIN
ATTORNEYS FOR UNITED STATES
CELLULAR CORPORATION
1150 CONNECTICUT AVENUE NW
WASHINGTON DC 20036

LAWRENCE E SARJEANT
LINDA KENT
KEITH TOWNSEND
JOHN W HUNTER
UNITED STATES TELEPHONE ASSOCIATION
1401 H STREET NW SUITE 600
WASHINGTON DC 20005

KATHRYN MARIE KRAUSE
EDWARD M CHAVEZ
DAN L POOLE
U S WEST INC
1020 19TH STREET NW SUITE 700
WASHINGTON DC 20036

KURT A WIMMER ESQ
ALANE C WEIXEL ESQ
MARK E PORADA
COVINGTON & BURLING
1201 PENNSYLVANIA AVENUE NW
P.O. BOX 7566
WASHINGTON DC 20044-7566

WILLIAM T LAKE
JOHN H HARWOOD II
LYNN R CHARYTAN
TODD ZUBLER
WILMER CUTLER & PICKERING
2445 M STREET NW
WASHINGTON DC 20037-1420

THOMAS M MEISS
BELLSOUTH PERSONAL
COMMUNICATIONS INC
SUITE 400
3353 PEACHTREE ROAD NE
ATLANTA GA 30326

MICHAEL W WHITE
BELLSOUTH WIRELESS DATE LP
10 WOODBRIDGE CENTER DRIVE
4TH FLOOR
WOODBIDGE NJ 07095-1106

LOUIS J FREEH
LARRY R PARKINSON
FEDERAL BUREAU OF INVESTIGATION
935 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20535

JOYCE & JACOBS
ATTORNEYS AT LAW LLP
1019 19TH STREET NW
14TH FLOOR PH #2
WASHINGTON DC 20036

DONALD REMY
DEPUTY ASSISTANT ATTORNEY GENERAL
U S DEPARTMENT OF JUSTICE
601 D STREET NW
ROOM 9106
WASHINGTON DC 20530

THE HONORABLE JANET RENO
ATTORNEY GENERAL OF THE
UNITED STATES
U S DEPARTMENT OF JUSTICE
601 D STREET NW ROOM 9106
WASHINGTON DC 20530

MARTIN L STERN
MICHAEL J O'NEIL
PRESTON GATES ELLIS & ROUVELAS
MEEDS LLP
1735 NEW YORK AVENUE NW
SUITE 500
WASHINGTON DC 20006

DOUGLAS N LETTER
APPELLATE LITIGATION COUNSEL
CIVIL DIVISION
U S DEPARTMENT OF JUSTICE
601 D STREET NW ROOM 9106
WASHINGTON DC 20530

WILLIAM F ADLER
GLOBALSTAR LP
3200 ZANKER ROAD
SAN JOSE CA 95134

MICHAEL W MOWERY
AIRTOUCH COMMUNICATIONS INC
2999 OAK ROAD MS1025
WALNUT CREEK CA 95596

MARK C ROSENBLUM
STEPHEN C GARAVITO
SETH S GROSS
AT&T CORP
ROOM 3252F3
295 NORTH MAPLE AVENUE
BASKING RIDGE NJ 07920

WILLIAM D WALLACE
CROWELL & MORING LLP
1001 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20004

REX L FULLER III
5900 SHIRL COURT
CHESAPEAKE BEACH MD 20732

DOUGLAS I BRANDON
ROSEANNA DEMARIA
AT&T WIRELESS SERVICES INC
FOURTH FLOOR
1150 CONNECTICUT AVE
WASHINGTON DC 20036

MATTHEW J WHITEHEAD II
AMERICAN MOBILE SATELLITE
CORPORATION
300 KNIGHTSBRIDGE PARKWAY
LINCOLNSHIRE IL 60069

CATHERINE WANG
MICHAEL P DONAHUE
SWIDLER BERLIN SHEREFF
FRIEDMAN LLP
3000 K STREET NW
SUITE 300
WASHINGTON DC 20007

JEROME S CAPLAN
REDCOM LABORATORIES INC
ONE REDCOM CENTER
VICTOR NY 14564

JOHNNIE L SMITH
DIVISION OF NARCOTICS ENFORCEMENT
123 W WASHINGTON AVE
7TH FLOOR
P O BOX 7857
MADISON WI 53707-7857

JOY ROBERTSON
REGULATORY & GOVERNMENT AFFAIRS
8350 EAST CRESCENT PARKWAY
SUITE 400
ENGLEWOOD CO 80111

JAMES F IRELAND
THERESA A ZETERBERG
COLE RAYWID & BRAVERMAN LLP
1919 PENNSYLVANIA AVENUE NW
SUITE 200
WASHINGTON DC 20006

J DAVID FOWLER
PROSECUTING ATTORNEYS'
COUNCIL OF GEORGIA
DRUG PROSECUTION DIVISION
3200 HIGHLANDS PARKWAY
SUITE 420
SMYRNA GA 30082-5192

ALBERT GIDARI
PERKINS COIE LLP
1201 THIRD AVE 40TH FLOOR
SEATTLE WA 98101

DAVID A IRWIN
TARA S BECHT
IRWIN, CAMPBELL & TANNENWALD PC
1730 RHODE ISLAND AVENUE NW
SUITE 200
WASHINGTON DC 20036-3101

ANNE F LA LENA
MARY L BROWN
1801 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20006

EDWARD T NORRIS
DEPUTY COMMISSIONER OPERATIONS
NEW YORK CITY POLICE DEPARTMENT
1 POLICE PLAZA
ROOM 910
NEW YORK NY 10038

JOHN PIGNATARO
SERGEANT DETECTIVE SUPERVISOR
ELECTRONIC SURVEILLANCE
TECHNICAL ADVISOR
NEW YORK CITY POLICE DEPARTMENT
BUILDING 610 FORT TOTTEN
BAYSIDE NY 11359

MARK J EMERY
TECHNICAL CONSULTANT
3032 JEANNIE ANNA COURT
OAK HILL VA 20171

JONATHAN M CHAMBERS
SPRINT PCS
1801 K STREET NW
SUITE M112
WASHINGTON DC 20006

COLONEL PAUL J EVANKO
COMMISSIONER
PENNSYLVANIA STATE POLICE
1800 ELMERTON AVENUE
HARRISBURG PA 17110

JOHN T SCOTT III
CROWELL & MORING LLP
1001 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20004

COLONEL CARL A WILLIAMS
SUPERINTENDENT
NEW JERSEY STATE POLICE
P O BOX 7068 RIVER ROAD
WEST TRENTON NJ 08628-0068

FRED SANCHEZ
CHIEF OF POLICE
POMONA POLICE DEPARTMENT
490 W MISSION BLVD
POMONA CA 91766

LARRY R PARKINSON
LOUIS J FREECH
GENERAL COUNSEL
FEDERAL BUREAU OF INVESTIGATION
935 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20535

ERNEST D MILLER
YALE LAW & TECHNOLOGY SOCIETY
YALE LAW SCHOOL
127 WALL STREET
NEW HAVEN CT 06520

LON C LEVIN
AMERICAN MOBILE SATELLITE COPORATION
10802 PARK RIDGE BOULEVARD
RESTON VA 20191

RONALD S NEUBAUER
INTERNATIONAL ASSOCIATION OF
CHIEFS OF POLICE
515 NORTH WASHINGTON STREET
ALEXANDRIA VA 22314-2357

JANIE ANGUS
676 CERVANTES DRIVE
HENDERSON NV 89014

COLETTE M CAPRETZ
FISHER WAYLAND COOPER
LEADER & ZARAGOZA L. L. P.
2001 PENNSYLVANIA AVE NW
SUITE 400
WASHINGTON DC 20006

DUDLEY M THOMAS
TEXAS DEPARTMENT OF
PUBLIC SAFETY
5805 N LAMAR BLVD BOX 4087
AUSTIN TX 78773-0001

SYLVIA LESSE
MARCI GREENSTEIN
KRASKIN, LESSE & COSSON, LLP
2120 L STREET NW
SUITE 520
WASHINGTON DC 20037

EDWARD J WISNIEFSKI
OFFICE OF INVESTIGATIVE
TECHNOLOGY
DRUG ENFORCEMENT ADMINISTRATION
8198 TERMINAL ROAD
LORTON VA 22079